

## Message Text

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ORIGIN OPIC-06

INFO OCT-01 AS-01 EA-07 ISO-00 EB-08 ARA-06 CIAE-00 INR-07  
NSAE-00 /036 R

DRAFTED BY OPIC/GC FXTURN  
APPROVED BY EB/IFD OIA:RJSMTTH  
ARA/CAR:TJCHEAVNER(INFO)  
EB/IFD/OIA:DSTEBBING  
EA/J:DSMTTH

-----271007Z 061086 /10

R 270136Z JAN 77  
FM SECSTATE WASHDC  
TO AMEMBASSY TOKYO

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FROM OPIC

E.O. 11652: N/A

TAGS: EINV

SUBJECT: OPIC ARBITRATION WITH REVERE

1. ON DECEMBER 20, REVERE COPPER AND BRASS, INC. COMMENCED AN ARBITRATION PROCEEDING AGAINST OPIC, ALLEGING THAT REVERE'S BAUXITE-ALUMINA OPERATION IN JAMAICA HAD BEEN EXPROPRIATED GIVING RISE TO COMPENSABLE DAMAGES UNDER ITS OPIC EXPROPRIATION INSURANCE. IN LARGE PART, REVERE'S CLAIM IS BASED ON THE ASSERTION THAT CERTAIN ACTIONS OF THE GOVERNMENT OF JAMAICA CHILLED THE INVESTMENT CLIMATE, MAKING IT IMPOSSIBLE FOR REVERE TO FIND A PARTNER OR CREDITOR TO SUPPLY THE CAPITAL NECESSARY TO EXPAND ITS OPERATION INTO AN ECONOMICALLY VIABLE UNIT. IN PARTICULAR, REVERE NOTES THAT ON MAY 8, 1974 A CONSORTIUM OF JAPANESE  
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COMPANIES ENTERED INTO A LETTER OF INTENT WITH REVERE TO PARTICIPATE IN SUCH AN EXPANSION BUT THEN WITHDREW IN 1975. IN ANALYZING THE CASE, OPIC WOULD FIND IT EXTREMELY USEFUL TO SPEAK WITH SOME OF THE JAPANESE COMPANIES INVOLVED TO DETERMINE THEIR REASONS IN WITHDRAWING FROM THE REVERE PROJECT AND THE VARIOUS FACTORS TAKEN INTO CONSIDERATION.

2. OPIC WOULD APPRECIATE EMBASSY ASSISTANCE IN IDENTIFYING THE APPROPRIATE JAPANESE COMPANY OFFICIALS AND YOUR ADVICE ON THE BEST WAY TO DISCUSS THE REVERSE PROJECT WITH THEM. IT MIGHT BE POSSIBLE FOR MEMBER OF OPIC STAFF TO TRAVEL TO TOKYO IF YOU RECOMMEND IT, OR OPIC COULD FURNISH YOU WITH BACKGROUND ON THE CASE. AS OPIC IS UNDER SOME TIME PRESSURE BECAUSE OF THE LITIGATION, A PROMPT RESPONSE WOULD BE APPRECIATED.

3. THE LEADER OF THE CONSORTIUM WAS SUMITOMO CHEMICAL COMPANY. THE OTHER COMPANIES INVOLVED WERE KANEMATSUGOSHO, LTD., KOBE STEEL, LTD., MARNBENI CORP., NIPPON LIGHT METAL CO., SUMITOMO SHOJI KAISHA, LTD.  
VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ARBITRATION, LITIGATION, INSURANCE, CONSORTIUMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 27-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE018240  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** GC FXTURN  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Message ID:** 7bb738d0-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN OPIC  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
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**SAS ID:** 3483399  
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**Status:** NATIVE  
**Subject:** OPIC ARBITRATION WITH REVERE  
**TAGS:** EINV, JA, REVERE COPPER & BRASS INC  
**To:** TOKYO  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/7bb738d0-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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